

THE PETITION

VCI requests that the Commission designate it as an ETC for the purpose of providing local exchange service to Idaho residents qualifying for the Idaho Telephone Assistance Plan (ITSAP). VCI's Petition states that it will provide such services primarily through the leasing of unbundled network elements (UNE-P) from Qwest Corporation throughout Qwest's territory.

VCI holds a certificate as a competitive telecommunications provider in the State of Idaho. In addition, VCI has been designated as an ETC in Washington, Oregon, and Wyoming. According to its Petition, VCI complies with all Federal Communications Commission (FCC) rules, including federal high-cost support regulations. The Petition also provides that VCI advertises these services throughout its service areas in Washington, Oregon, and Wyoming and will do so in Idaho upon ETC approval.

THE STAFF COMMENTS

Based on its review of VCI's Petition and discussions with VCI, the Commission Staff determined that VCI's Petition complies with the state and federal requirements for ETC status and is consistent with the public interest, convenience, and necessity. According to Staff, VCI provides the services provided for in the definition of universal service set forth in 47 C.F.R. § 54.101(a); offers such services using its own facilities or a combination of its own facilities and resale of another carrier's service throughout the service area; and, upon ETC designation, will advertise such services. Staff confirmed that VCI advertises its services in Washington, Oregon and Wyoming.

Staff asserts that ETC status for VCI is in the public interest, in large part because VCI will benefit Idaho's ITSAP customers who may not be able to afford a supplemental communications service, such as a cell phone. *Idaho Code* § 56-901. Moreover, this is a niche market that can benefit from a competitive company. By granting the petition of VCI, Idaho customers will have an opportunity to choose a competitor in certain Qwest territories. In addition, VCI proposes to waive the subscriber line charge (SLC) for its customers and will use the federal match to offset the SLC, thereby reducing the monthly telephone charges for eligible Idaho customers.

DISCUSSION AND FINDINGS

The Commission has jurisdiction to determine whether VCI's Petition for ETC status should be granted. 47 U.S.C. § 21; *Idaho Code* §§ 62-615(1) and 62-610D. In making this determination, the Commission considers both whether VCI meets the state and federal requirements necessary to be designated as an ETC and whether ETC status is in the public interest. In evaluating the "public interest," the Commission weighs whether the potential benefits of ETC designation outweigh the potential harms. *Virginia Cellular, LLC Petition for Designation as an ETC*, 19 F.C.C.R. 1563, 1574 (2004).

Based upon our review of VCI's Petition and the supporting comments of Staff, we grant the Petition. In particular, we find on the record presented that VCI has complied with the federal and state requirements for ETC status. VCI is a "common carrier" as defined by 47 U.S.C. § 153(10) and offers throughout its proposed service area the services set forth in 47 C.F.R. § 54.101(a) either by using its own facilities or a combination of its own and the resale of Qwest's. We further find that it is in the public interest to grant ETC status to VCI in Qwest's service area. The benefits identified in the record include greater competition and the provision of universal services at reduced cost to Idaho residents qualifying for ITSAP. There are no harms identified in the record. Because the potential benefits of ETC designation outweigh the potential harms, the Commission concludes that it is in the public interest to grant ETC status to VCI.

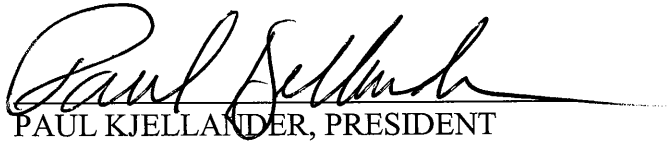
ORDER

IT IS HEREBY ORDERED that VCI's Petition seeking designation as an ETC in Qwest's service area is granted.

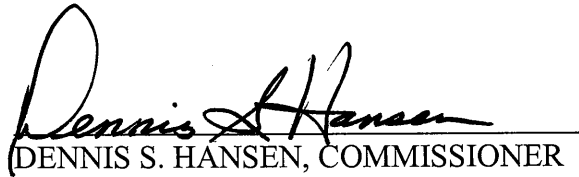
IT IS FURTHER ORDERED that VCI update its tariffs pages that pertain to its service area(s) and offerings currently on file in its Competitive Local Exchange Carrier (CLEC) price list to the extent such action is necessary.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* §§ 61-626; 62-619.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 13th
day of January 2005.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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